

seen good times and I have seen hard times, but God's grace was always with us. What a great God we serve!"

Reverend Sprinkle credits much of the success of his ministry to his wife, Lois, a faithful teammate for sixty years.

Mr. Speaker, I know that all of my colleagues in the House of Representatives join me in praising Reverend Charles W. Sprinkle for his fifty years of service to Gladly Baptist Church and the Lord.

DOMESTIC SPIRITS TAX EQUITY ACT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. COLLINS. Mr. Speaker, today I am introducing a bill, along with my colleague, Representative RICHARD NEAL, to end the unequal tax treatment imposed on U.S. produced distilled spirits. At a time when other countries adopt tax laws to favor their own domestic industries, it is ironic that current U.S. tax law favors foreign products at the expense of U.S.-made products. Regrettably, that is the case with respect to distilled spirits. As members of the Committee on Ways & Means, both Mr. NEAL and I have worked for sometime to correct this inequitable situation.

Current law allows wholesalers of imported spirits to defer the federal excise tax ("FET") on such products until they are removed from a custom bonded warehouse for sale to a retailer. In contrast, the FET on U.S. produced spirits is paid "up front" by the distiller, and passed along to the wholesaler when he purchases product. Custom bonded warehouses cannot be used for domestic product, only that imported from another country. This means that the FET on U.S. produced spirits must be carried by the wholesaler as part of his inventory for as long as it takes to sell that product out of his warehouse.

Couple this disparity in time of payment with the fact that distilled spirits are the most highly taxed of all products, and you begin to understand the seriousness of the problem. At \$13.50 per proof gallon, the FET represents virtually 40 percent of the average wholesaler's inventory cost. To make matters worse, it takes an average of 60 days to sell this inventory to a retailer. The bottom line is that U.S. tax policy favors the sale of imported spirits and creates a significant financial burden for wholesalers of domestic spirits—most of which are small, family-owned businesses operating within a single state.

For the past ten years, the wholesale tier of the licensed beverage industry has advocated a tax law policy change known as "All-in-Bond." Mr. NEAL and I sponsored the Distilled Spirits Tax Simplification Act, or "All-in-Bond bill", at the beginning of the 106th Congress. Simply put, it would have extended the custom bonded warehouse concept to all spirits, not just imported product. The result would have been to defer payment of the tax on domestic product—just as we do for imported spirits—until it is removed from the warehouse for sale to a retailer.

Given the obvious inequity of current law, the bill attracted the co-sponsorship of 75 of our colleagues from both sides of the aisle. As a consequence, Mr. NEAL and I were successful in attaching the bill to a major tax reduction measure coming out of the Committee on Ways & Means in 1999, which was subsequently approved by this body.

Subsequently, Treasury/BATF raised unwarranted concerns about changing the point of collection. Additionally, distilled spirits suppliers objected because of concerns about a revenue offset provision which was added to the "All-in-Bond" proposal during committee consideration.

In an effort to build a greater consensus, we agreed to drop the provision in conference and go back to the drawing board to develop a better solution to the problem.

The "Domestic Spirits Tax Equity Act" is that better solution.

The purpose of this legislation is to compensate wholesalers for the unequal burden imposed on U.S.-produced distilled spirits under current law. We do so by allowing qualified wholesalers of domestic spirits a prepaid tax adjustment, or "PTA" which is a credit against their annual federal income tax.

The PTA is determined through a simple formula. It is equal to 40 percent of the amount paid for domestically produced spirits, times the IRS' applicable federal rate over a 60-day period. The PTA was crafted with simplicity in mind. The elements of the formula are easily verifiable and understandable by the wholesaler and the IRS, and the formula results in an accurate overall measure of the unequal float costs. In addition, unlike the "All-in-Bond" proposal, this bill does not change the current FET collection system.

Mr. Speaker, I urge my colleagues to join me in this effort to eliminate the unequal tax treatment imposed on U.S. produced distilled spirits. The PTA is a simple and targeted solution, which addresses the problem. I look forward to the passage of this important legislation so that we can ensure our domestic suppliers are not penalized by the tax code.

HONORING THE CAREER OF JERRY BAXTER

HON. SCOTT MCINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. MCINNIS. Mr. Speaker, I would like to take a moment to honor a man that has spent much of his life improving the quality of life for others. Mr. Jerry Baxter has spent the last 27 years of his life entertaining the guests at the Bar D Chuckwagon in Durango, Colorado. This year, in the Bar D's 33rd season, Jerry has announced that he will be leaving for a job as a wrangler in Jackson, Wyoming. As he does, I would like to take this opportunity to honor him.

Jerry has contributed to the Durango community his entire life. His friends and family would most likely describe Jerry as a bit of a character. When Jerry was only seventeen he managed to make it on to the Paul Harvey show with his comedic tale of an experience

he had as a volunteer firefighter. Jerry gained this honor by starting a fire on his way to fight a fire. On his way to the grass fire in Hermosa, Colorado, Jerry forgot to release the emergency brake, causing the brake pads to catch fire and fall off. This in turn ignited a fire at the Aspen Rose Campground, which exceeded the size of the Hermosa fire, requiring more men to extinguish it.

Jerry will be fondly remembered by the numerous guests who have been privileged to enjoy his show. Jerry's baritone voice is well loved at the chuckwagon and will be greatly missed. The Bar D originally hired Jerry to work in their kitchen, but he quickly became a well-loved voice on the stage. Jerry speaks highly of the community that has shown him such great support over the years. When Jerry's father passed on, and he was brought to tears during his rendition of "How Great Thou Art," the community reached out to this man that they love. While grateful for his friendship, the Durango community will be sorry to see Jerry leave.

Mr. Speaker, the State of Colorado is fortunate to have citizens like Jerry Baxter within one of its communities—someone who is willing to go that extra mile for others. Colleagues, on behalf of the Western Slope of Colorado, we wish Jerry, his wife LaVerna and his children Justin, Shasta, Kyle and Kolt all the best. The Durango community is fortunate to call Jerry a friend.

HONORING AMERICA'S MOST DECORATED COMBAT VETERAN, LT. COL. MATT URBAN

HON. THOMAS M. REYNOLDS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 2001

Mr. REYNOLDS. Mr. Speaker, as our entire nation pauses to honor its fallen heroes, our Memorial Day Observance has long held a special significance in my Congressional district. That's because, in 1865, the village of Waterloo, New York, became the first community in America to set aside a day of remembrance for those who made the ultimate sacrifice in service to their country, and has since been officially recognized as the birthplace of our modern Memorial Day holiday.

Even with this proud history, this year's Memorial Day will have an even greater significance in our area of the country. That's because on Thursday, May 31, 2001, we will pay special tribute to the most decorated combat veteran in American history, Lt. Col. Matt Urban.

When President Jimmy Carter presented Lt. Col. Urban with the Congressional Medal of Honor, 35 years after his heroic feats in World War II, the President described him as "The Greatest Soldier in American history." Born in August of 1919 in Buffalo, New York, Matt Urban received 29 awards and decorations, including seven purple hearts, and the Silver and Bronze Stars. Matt Urban's bravery and valor earned him virtually every combat medal, as well as the nickname "the Gray Ghost," from the German army.

While there are many stories of Matt Urban's feats, his heroism upon the D-Day Invasion is typical of the battlefield leadership he